

77 04770

Official Statement

**COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MONTEREY PARK**
LOS ANGELES COUNTY, CALIFORNIA

\$3,200,000

no 28

**1977 FREEWAY DEVELOPMENT PROJECT NO. 1
TAX ALLOCATION BONDS**

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

SEP 22 1977

UNIVERSITY OF CALIFORNIA

Bids to be received at or before 4:00 P.M., Monday, October 3, 1977,
in the Law Offices of James Warren Beebe, A Law Corporation, 611 West
Sixth Street, Suite 1892, Los Angeles, California 90017.

77 04770

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

AUG 19 2024

UNIVERSITY OF CALIFORNIA

**COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF MONTEREY PARK**

September 12, 1977

TO WHOM IT MAY CONCERN:

The purpose of this Official Statement is to supply information to prospective bidders on and buyers of the \$3,200,000 of 1977 Freeway Development Project No. 1 Tax Allocation Bonds of the Community Redevelopment Agency of the City of Monterey Park (the "Bonds"), authorized and issued for the purpose of assisting in the financing of said Project, paying of expenses in connection with issuance, and providing reserve funds as additional security for the Bonds.

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., in the capacity of financing consultant to the Redevelopment Agency with regard to the 1977 Freeway Development Project No. 1 Tax Allocation Bonds, and the firm will receive compensation from the Agency contingent upon the sale and delivery of the Bonds. This Official Statement contains summaries of the Resolution of Issuance, the Community Redevelopment Law, the Redevelopment Plan for the Project, financial and economic data which do not purport to be complete, and reference is made to the documents on file in the office of the Executive Director of the Agency for further information. Statements which involve estimates or opinions, whether or not expressly so described herein, are intended solely as such and are not to be construed as factual reports.

The Official Statement does not constitute a contract with buyers or holders, from time to time, of the Bonds. The Resolution of Issuance, which does constitute such a contract, accompanies the Official Statement as originally distributed and is available to any prospective bidder on request from the Executive Director of the Agency.

The legal opinion, approving the validity of the Bonds, will be furnished by James Warren Beebe, A Law Corporation, Los Angeles, California, Bond Counsel to the Agency. Bond Counsel's participation in the review of this Official Statement has been limited to reviewing the statements of law and legal conclusions as set forth hereinafter under the heading "The Bonds".

No dealer, broker, salesman or other person has been authorized by the Agency to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The execution and distribution of this Official Statement have been duly authorized by the Agency.

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MONTEREY PARK

George Ige, Chairman

Lloyd de Llamas, Executive Director

CONTENTS

	Page		Page
Introduction	1	Estimated Tax Increment Revenues and Bond Service	23
The Bonds	3	Tax Rate	23
Authority For Issuance	3	Assessed Valuation	23
Sale of the Bonds	3	Estimated Tax Increment and Bond Service	26
Description of the Bonds	3	The City	29
Redemption Provisions	4	Municipal Government	29
Registration	4	Population	30
Legal Opinion	4	Housing and Income	30
Tax Exempt Status	4	Building Activity	31
Legality for Investment in California	4	Employment	31
Certificate Concerning Official Statement	4	Industry	32
Other Closing Documents	4	Commerce	32
Purpose	5	Banking	33
Security	5	Transportation	34
Creation of Funds	6	Utilities	34
Disposition of Bond Proceeds	7	Education	34
Deposit and Application of Revenues	7	Community Facilities	34
Additional Bonds	7		
Refunding Bonds	8		
Deposit and Investment of Funds	8		
Other Covenants	8		
Amendment of the Resolution	9		
Remedies Upon Default	9		
Estimated Annual Bond Service	9		
The Redevelopment Agency	11		
Governing Board	11		
Agency Staff	12		
Powers	12		
Redevelopment Projects	12		
Additional Financing	12		
Audited Financial Statements	12		
The Project	17		
Project Area	17		
The Redevelopment Plan	17		
Status of the Project	20		
Disposition of Bond Proceeds	22		
		TABLES	
		Table 1. Estimated Annual Bond Service ..	10
		Table 2. Balance Sheets	14
		Table 3. Revenues, Expenditures and Reserve Balances	16
		Table 4. Assessed Valuation At Time of Project Area Formation (Fiscal Year 1973/74)	17
		Table 5. Disposition of Bond Proceeds	22
		Table 6. 1977/78 Tax Rates Applicable to Freeway Development Project No. 1	23
		Table 7. Actual and Projected Assessed Valuations	26
		Table 8. Estimated Annual Bond Service and Tax Increment	27
		FIGURES	
		Figure 1. Vicinity Map	
		Figure 2. Freeway Development Project No. 1 Project Area	18

**COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MONTEREY PARK**

Los Angeles County, California

George Ige, *Chairman*

G. Monty Manibog, *Vice Chairman*

Matthew G. Martinez

Louise Davis

George Westphaln

AGENCY STAFF

Lloyd de Llamas, *Executive Director and Treasurer of the Agency*

Michael B. Montgomery, *Attorney*

David P. Bentz, *Assistant Treasurer*

PROFESSIONAL SERVICES

James Warren Beebe, A Law Corporation, *Los Angeles*
Bond Counsel

[Stone & Youngberg Municipal Financing Consultants, Inc., *Los Angeles and San Francisco*
Financing Consultants

Security Pacific National Bank, *Los Angeles*
Fiscal Agent

Harris Trust and Savings Bank, *Chicago*
Manufacturers Hanover Trust Company, *New York*
Paying Agents

Invest. Publ. secur
Publ debts Maniz Mont. Park
Slum cl. " "

The date of this Official Statement is September 12, 1977

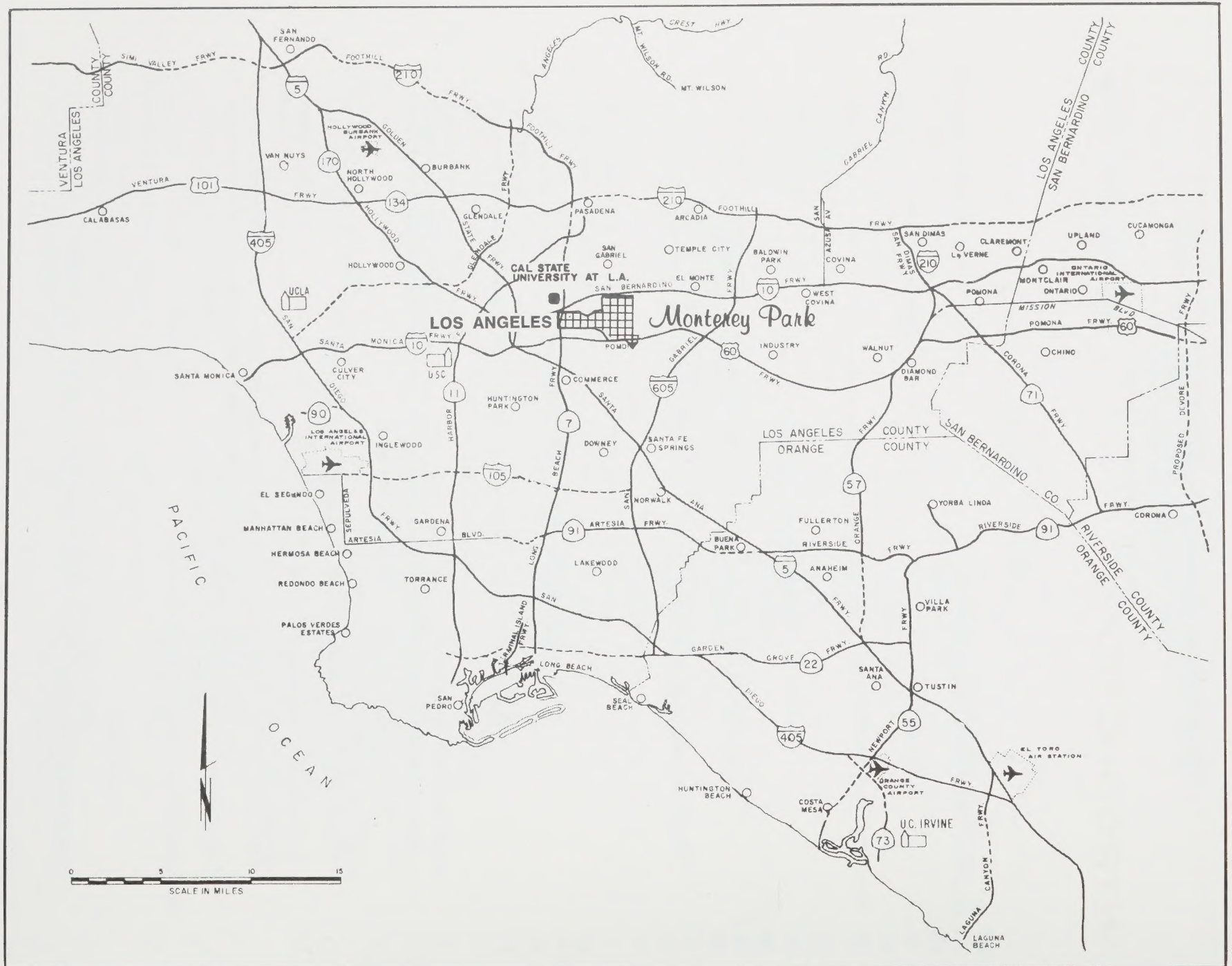


Figure 1: Vicinity Map

INTRODUCTION

The Community Redevelopment Agency of the City of Monterey Park was formed pursuant to Ordinance No. 1254 of the Monterey Park City Council adopted November 17, 1969. The Agency subsequently approved creation of two redevelopment project areas: the Atlantic-Garvey Project in 1972; and Freeway Development Project No. 1 on March 11, 1974.

Freeway Development Project No. 1 covers approximately 25.02 acres of land located in the northwestern corner of Monterey Park. The project area is traversed by the Long Beach Freeway and is located immediately south of the intersection of the Long Beach and San Bernardino Freeways.

In November of 1974 the Agency sold \$2,400,000 of 1974 Freeway Development Project No. 1 Tax Allocation Bonds to finance the acquisition, clearance and improvement of land within the project area; to provide five years' interest on the bonds; and to meet the costs of bond issuance and discount. The Agency has also borrowed \$300,000 from a bank and \$530,500 from the City to meet a portion of the Freeway Development Project No. 1 costs.

Although the only development within the Freeway Development Project's boundaries at the time of its formation was a brick manufacturing yard (since removed), subsequent development has been substantial. The project area currently serves as the site for the \$7.5 million corporate headquarters of Ameron, Inc. Additional development includes the 37,000 square foot headquarters of Lincoln Savings & Loan Association, scheduled for occupancy in October, 1977, and the Monterey Park installation of Public Storage, Inc. The Community Redevelopment Agency is currently seeking to attract a hotel with restaurant for the remaining 5.67-acre undeveloped parcel within the project area.

The Community Redevelopment Agency will use the proceeds from the \$3,200,000 of 1977 Freeway Development Project No. 1 Tax Allocation Bonds, together with other funds of the Agency, to establish an Escrow Fund to pay the costs of redeeming the \$2,400,000 of 1974 Freeway Development Project No. 1 Tax Allocation Bonds of the Agency on December 1, 1984; to pay the interest coming due on the 1974 Bonds prior to the redemption date; to pay the interest on the 1977 Bonds coming due on April 1, 1978; to repay certain loans and advances

which have been made to the Agency; and to meet the costs of issuing the 1977 Bonds.

Upon receipt of the proceeds from the sale of the 1977 Bonds, the Fiscal Agent shall transfer to the Escrow Fund the balance in the Special Fund established by terms of the resolution providing for the issuance of the 1974 Bonds, plus an amount from the proceeds of the 1977 Bonds which an independent certified public accountant shall state is sufficient, together with the interest to be received on Federal securities placed in the Escrow Fund, to pay the costs of redeeming the \$2,400,000 of 1974 Bonds on December 1, 1984 (including the \$72,000 of premiums payable upon redemption) and the interest coming due on such bonds on or before the redemption date. The Escrow Fund will be held by the Escrow Bank, Security Pacific National Bank.

Debt service on the 1977 Tax Allocation Bonds is payable from, and secured by: a pledge of the tax increment revenues received by the Agency; money to be deposited from bond proceeds in the Special Fund to pay interest coming due on April 1, 1978; and the money in the Reserve Account. Bond principal and interest may also be met with any other funds that the Agency may have available for the purpose, such as interest earnings.

The tax increment revenues will consist of the amount of taxes collected by applying the tax rates levied by other local government agencies overlapping Freeway Development Project No. 1 to the amount of assessed valuation in the project area which is in excess of the 1973/74 assessed valuation of \$234,280. Accordingly, any reduction in tax rates, or any increases in exemptions for the type of property to be located in the project area which are not offset by funds from other sources, would have the effect of reducing the Agency's tax revenues.

The extent to which school districts in particular will continue to levy local property taxes in the future may be affected by a recent decision of the California Supreme Court declaring the present system of public school finance, involving the use of school district ad valorem property taxes, to be invalid and requiring the Legislature to provide an alternative system by September 3, 1980.

The 1977/78 incremental assessed valuation of Freeway Development Project No. 1 for revenue

purposes is \$1,605,965. The completion of the Lincoln Savings & Loan Association's headquarters office alone should increase the assessed valuation by an estimated \$262,500 during fiscal year 1978/79 (based upon one-quarter of the building permit valuation less existing improvements on site). The 1977/78 tax increment revenues for Freeway Development Project No. 1 should equal approximately \$212,000, which is sufficient to meet the estimated first year's debt service on the 1977 Tax Allocation Bonds. The tax revenues for the succeeding years, assuming the same tax rates and the projected increase in assessed valuation resulting from the completion of the Lincoln Savings & Loan Association building, are estimated to be \$247,600, which is in excess of the estimated maximum annual bond service on the 1977 Freeway Development Project No. 1 Tax Allocation Bonds.

In addition, Ameron, Inc., estimates the value of furniture and equipment which was installed in its headquarters building after the March 1, 1977 lien date for 1977/78 taxes at more than \$1,200,000, including approximately \$500,000 of leased equipment. Lincoln Savings & Loan Association expects to install approximately \$277,500 of equipment and furnishings in its headquarters building following its completion. Based on the statutory assessment rate of 25 percent of full cash value and the 1977/78 tax rate for the project area, the furniture and equipment in the two buildings would produce an additional tax increment of approximately \$48,600. This would bring the total projected increment to \$295,900 which is approximately 1.20 times the estimated maximum annual bond service based on an interest rate of six percent.

The City of Monterey Park is located 8 miles east of the Los Angeles Civic Center at the gateway to the San Gabriel Valley. The topography of the City's 7.72 square miles varies between relatively flat land and low-lying hills. The City's January, 1977 population was estimated at 50,400 by the State Department of Finance.

Despite its proximity to downtown Los Angeles, Monterey Park has maintained an independent character throughout its 61 year history. The City's location, bracketed by the San Bernardino, Long Beach and Pomona Freeways, offers residents ready access to the economic and cultural advantages of the nation's second largest urban expanse.

THE BONDS

Authority For Issuance

The \$3,200,000 of 1977 Freeway Development Project No. 1 Tax Allocation Bonds of the Community Redevelopment Agency of the City of Monterey Park are being issued under the Community Redevelopment Law, Part 1 of Division 24 of the Health and Safety Code of the State of California, commencing with Section 33000, and pursuant to Resolution No. 50 of the Agency adopted on September 12, 1977.

Sale of the Bonds

Bids for the purchase of the bonds will be received at or before 4:00 P.M. Monday, October 3, 1977, in the Law Offices of James Warren Beebe, A Law Corporation, 611 West Sixth Street, Suite 1892, Los Angeles, California 90017. It is expected that the bids will be referred to the Redevelopment Agency for action at a meeting to be held later the same day.

Details of the terms of sale are set forth in the Official Notice of Sale approved September 12, 1977. A copy of the Notice accompanies this official statement.

Description of the Bonds

The \$3,200,000 of 1977 Freeway Development Project No. 1 Tax Allocation Bonds will be dated October 1, 1977 and will be initially issued as coupon bonds in denominations of \$5,000 each or as fully registered bonds in denominations which are multiples of \$5,000. The coupon bonds will be numbered 1 through 640. The bonds will mature on October 1 of the years 1978 through 2002 in the amounts shown below.

Year	Amount	Year	Amount
1978	\$ 20,000	1991	\$125,000
1979	60,000	1992	135,000
1980	65,000	1993	140,000
1981	65,000	1994	150,000
1982	70,000	1995	160,000
1983	75,000	1996	170,000
1984	80,000	1997	180,000
1985	85,000	1998	195,000
1986	90,000	1999	205,000
1987	100,000	2000	220,000
1988	105,000	2001	230,000
1989	110,000	2002	245,000
1990	120,000		

Interest on the bonds will be payable semiannually on April 1 and October 1 of each year, commencing April 1, 1978.

Both interest and principal are payable at or by the Los Angeles and San Francisco main offices of the Fiscal Agent, the Security Pacific National Bank, or at paying agents of the Agency in Chicago, Illinois or New York, New York.

Redemption Provisions

The bonds maturing on or before October 1, 1987 are not subject to redemption prior to maturity. The bonds maturing on and after October 1, 1988 are subject to call for redemption, in inverse order of maturity and by lot within a single maturity on any interest payment date beginning October 1, 1987. The bonds are redeemable at par, plus accrued interest and a premium equal to one quarter of one percent for each year or intervening fraction of a year from the redemption date to the maturity date of the bond.

Notice of redemption is to be published once at least 30 but no more than 60 days before the redemption date in a financial journal circulated in New York City and is to be mailed to all holders of registered bonds to be called for redemption.

Registration

Coupon bonds may be exchanged for registered bonds in denominations of \$5,000 or any multiple of \$5,000 and registered bonds may be exchanged for coupon bonds or for registered bonds of different denominations.

Legal Opinion

The legal opinion of James Warren Beebe, A Law Corporation, of Los Angeles, California, bond counsel to the Community Redevelopment Agency of the City of Monterey Park in connection with the 1977 Freeway Development Project No. 1 Tax Allocation Bonds, will be furnished without cost to the original purchasers of the bonds. A copy of the legal opinion, certified by the official of the Agency in whose office the original is filed, will be printed on each bond at the expense of the Agency.

Tax Exempt Status

In the opinion of bond counsel the interest on the bonds is exempt from Federal income taxes and from

State of California personal income taxes under existing Federal and State laws, regulations and court decisions.

Legality for Investment in California

Section 33663 of the Community Redevelopment Law provides that bonds of a redevelopment agency are legal investments for all banks, trust companies, savings banks, building and loan associations, insurance companies, political subdivisions and trust funds and that the bonds are eligible to secure public deposits in California.

The Superintendent of Banks of the State of California has ruled that bonds of a redevelopment agency are legal investments in California for savings banks.

Certificate Concerning Official Statement

At the time of payment for and delivery of the bonds, the Agency will furnish the successful bidder a certificate, signed by appropriate officers of the Agency and the City of Monterey Park, acting in their official capacity, to the effect that to the best of their knowledge and belief, and after reasonable investigation, (a) neither the official statement nor any amendment or supplement contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; (b) since the date of the official statement no event has occurred which should have been set forth in an amendment or supplement to the official statement which has not been set forth in such an amendment or supplement; nor (c) has there been any material adverse change in the operation or financial affairs of the Agency or the City since the date of such official statement.

Other Closing Documents

In addition to the opinion of Bond Counsel and the Certificate Concerning the Official Statement described above, the Agency will, at the time of delivery of the bonds, furnish the purchaser the following documents, all to be dated as of the date of delivery:

1. *Arbitrage Certificate and Opinion of Bond Counsel.* A certificate of a responsible officer of the Agency that, on the basis of the facts and circumstances in effect at the time of delivery of the bonds,

it is not expected that the proceeds of the bonds will be used in a manner that will cause the bonds to be arbitrage bonds and an opinion of bond counsel that the bonds are not arbitrage bonds under the Internal Revenue Code.

2. *No Litigation Certificate.* A certificate of a responsible officer of the Agency that there is no direct litigation pending affecting the validity of the bonds. However mention will be made of the case of *McNutt et al. v. City of Los Angeles et al.*, which is summarized on page 6 under the heading "Security," even though the Agency is not named in the case.

3. *Signature Certificates.* Certificates of the respective officers and representatives of the Agency showing that they have signed the bonds by manual or facsimile signature, and that they were duly authorized to execute the same.

4. *Treasurer's Receipt.* The receipt of the Treasurer of the Agency showing that the purchase price of the bonds, including accrued interest to the date of delivery (if any), has been received by the Agency.

5. *Opinion of Agency Counsel.* An opinion of the Attorney for the Agency that the activation and all subsequent actions of the Agency (exclusive of those actions required to provide for the issuance and sale of the bonds, which actions are subject to review by bond counsel) have been taken in accordance with all applicable laws.

Purpose

The proceeds from the sale of the bonds will be used, together with other funds of the Agency, to establish an Escrow Fund for the redemption of \$2,400,000 of 1974 Freeway Development Project No. 1 Tax Allocation Bonds of the Agency maturing December 1, 1999, including \$72,000 of premiums payable upon redemption of the 1974 Bonds on December 1, 1984 and interest coming due on the 1974 Bonds prior to the redemption date; to meet the interest on the 1977 Bonds coming due on April 1, 1978; to repay certain loans and advances which have been made to the Agency; and to meet the costs of issuing the 1977 Bonds.

Security

Bond principal and interest are payable from, and secured by, a pledge of the tax revenues received by the Agency, money to be initially deposited in the

Special Fund to pay bond interest coming due April 1, 1978 and the money in the Reserve Account, described below. Bond principal and interest may also be met with any other funds the Agency may have available for the purpose, such as interest earnings.

The tax revenues will be derived by the Agency from any increases in the assessed valuation of Freeway Development Project Area No. 1 in the following manner.

Under the California Community Redevelopment Law and the redevelopment plan, taxes levied by any taxing agency on taxable real property in the project area will be divided as follows:

1. *Frozen Tax Base* — Each year commencing with the 1975/76 fiscal year, each taxing agency which receives ad valorem property taxes from the project area has been entitled to receive the amount calculated by applying its then current tax rate to the amount of assessed valuation in the project area up to the amount which was shown on the assessment roll last equalized before the effective date of the redevelopment plan (in this case, the 1973/74 roll), which is sometimes referred to as the frozen tax base.

2. *Tax Increment*—Commencing with the 1975/76 fiscal year, the Redevelopment Agency has been entitled to receive the amount calculated by applying the then current tax rates of all taxing agencies levying a tax in the project area to the amount of any increase in assessed valuations over that shown on the 1973/74 equalized assessment roll for the project area. This amount is referred to in this Official Statement as the tax increment or tax increment revenues, or tax revenues. The first tax increment of the Freeway Development Project No. 1 was received in 1976/77.

The bonds are special obligations of the Redevelopment Agency. They are not a debt of the City of Monterey Park, the State of California or any political subdivision of the State. Neither the City, the State, or any of its subdivisions are liable for payment of the bonds.

The Agency does not have the power to tax directly, only to receive the tax increment described above. Accordingly, any reduction in tax rates, whether as a result of new statutes, Constitutional amendment or the provision of additional sources of

revenues to taxing agencies which would reduce the need for tax revenues, or any increases in exemptions for the type of property to be located in the project area which are not offset by funds from other sources, would have the effect of reducing the Agency's tax revenues.

The extent to which school districts in particular will continue to levy local property taxes in the future may be affected by a recent decision of the California Supreme Court (*Serrano v. Priest*) declaring the present system of public school finance, involving the use of school district ad valorem property taxes, to be invalid on the basis that variations in school district assessed valuations result in inequitable differences in the levels of revenues available for education. The decision required the Legislature to provide an alternative system by September 30, 1980.

The State Legislature has adopted legislation designed to bring the school finance system into substantial compliance with the *Serrano* decision. The bill provides for various forms of State assistance to local school districts, to be allocated on the basis of variations in assessed valuations between the individual districts. The result will be to reduce (but not eliminate) the need for revenues from ad valorem taxes, especially in those districts having a relatively low level of assessed valuation per pupil.

The components of the tax rate levied in the project area for the 1977/78 fiscal year (including school district taxes) are shown in Table 6.

On August 22, 1977, a lawsuit (*McNutt et al. v. City of Los Angeles et al.*) was filed in the Superior Court of California for the County of Los Angeles against fifteen Southern California cities, their redevelopment agencies and the Los Angeles County Auditor-Controller. The City of Monterey Park and the Community Redevelopment Agency of the City of Monterey Park, California are not named as defendants.

The complaint alleges that the provisions of the Community Redevelopment Law authorizing the allocation of that portion of the property taxes derived from a redevelopment project area representing tax-increment funds is invalid under the Constitutions of California and the United States. The complaint seeks a declaration that the statutory basis for tax-increment financing is unconstitutional and an injunction preventing any payment of tax-increment funds to defendant agencies. No responsive pleading has as yet been filed.

The complaint does not set forth specific facts involving each of the defendants. The Community Redevelopment Law has been upheld by the California Supreme Court. However, as the case develops, it may be that no California court has dealt with the precise legal questions that may be involved. Therefore, the outcome of this litigation and any resulting effect upon the allocation of tax-increment funds derived from a redevelopment project area for the payment of debt service on tax allocation bonds outstanding at the time of the final decision are not determinable at this time. However, to the extent that any future decision in this case may limit or prohibit the current method of allocation of such tax-increment funds, this security for the bonds may be adversely affected or substantially eliminated.

Because this case is against the Los Angeles County Auditor-Controller, who is responsible for the allocation of the tax increment to the Community Redevelopment Agency of the City of Monterey Park, it will be mentioned in the No Litigation Certificate.

The State Legislature has also adopted and sent to the governor a bill containing certain amendments to the Community Redevelopment Law. Although it is impossible to predict whether the bill will be signed by the governor it would not become effective until January 1, 1978 and accordingly would have no effect on the bonds currently being offered for sale.

Creation of Funds

The resolution providing for the issuance of the bonds requires the establishment and maintenance of the following funds and accounts, which are described in the following sections of this Official Statement:

1. Escrow Fund
2. Special Fund
 - a. Bond Interest Account
 - b. Bond Principal Account
 - c. Reserve Account
3. Redevelopment Fund

In addition, the resolution provides for the establishment of a Term Bond Sinking Fund Account to be used in the event that any future issue of parity bonds should include term bonds. However no term bonds are included in the present issue nor does the Agency have any plans at present to issue any additional parity bonds.

Disposition of Bond Proceeds

The resolution provides that all proceeds from the sale of the refunding bonds shall be paid to the Fiscal Agent for deposit as follows:

1. *Escrow Fund.* At the time of the delivery of the bonds to the initial purchaser the Fiscal Agent shall transfer to the Escrow Fund the balance in the Special Fund established by the terms of the resolution providing for the issuance of the 1974 Bonds, which are to be refunded. The Fiscal Agent shall also deposit in the Escrow Fund, from the proceeds of the 1977 Bonds, an amount which an independent certified public accountant shall state is sufficient, together with the interest to be received on Federal securities to be purchased at the time of delivery of the 1977 bonds with the money in the Escrow Fund, to pay the costs of redeeming the \$2,400,000 of 1974 Bonds on December 1, 1984 (including the \$72,000 of premiums payable upon redemption) and the interest coming due on such bonds on or before the redemption date.

2. *Special Fund.* The following amounts will be placed in the Special Fund for deposit in the accounts shown:

A. *Bond Interest Account.* The premium and accrued interest (if any) received from the purchaser at the time of the delivery of the bonds together with the sum required to bring the balance in the account to an amount equal to the interest coming due on the 1977 Bonds on April 1, 1978 will be placed in the Special Fund for deposit in the Bond Interest Account.

B. *Reserve Account.* An amount equal to the maximum annual interest on the bonds will be placed in the Special Fund for deposit in the Reserve Account.

3. *Redevelopment Fund.* The balance of the bond proceeds will be transferred by the Fiscal Agent to the Treasurer of the Agency for deposit in the Redevelopment Fund.

Deposit and Application of Revenues

All tax revenues received by the Agency from Freeway Development Project No. 1 and monies in the Interest and Reserve Accounts are pledged to the payment of the bonds. Additionally, interest earned on investments and deposits of monies held in the Special Fund will be available to meet debt

service, and any money in the Redevelopment Fund may be transferred by the Agency to the Fiscal Agent for deposit in the Special Fund. Money in the Special Fund will be used for the following purposes in the order of priority shown:

1. *Bond Interest Account.* Transfers shall be made to the Bond Interest Account so that on or before September 30 of each year, commencing September 30, 1978 the balance in the fund shall be equal to the interest on the bonds coming due in the next year.

2. *Bond Principal Account.* Transfers shall be made to the Bond Principal Account so that on or before September 30 of each year the balance in the fund will be equal to the amount of principal coming due on the next October 1.

3. *Term Bond Sinking Fund Account.* The resolution makes provision for a Term Bond Sinking Fund Account which may be used for the purpose of accumulating money for the early redemption of any parity term bonds which may be issued in the future.

4. *Reserve Account.* Thereafter, the Fiscal Agent will transfer to the Reserve Account the amount, if any, required to bring the balance in the Account to an amount equal to the maximum annual interest on the outstanding bonds. Money in the Account may be withdrawn solely for the purpose of replenishing any deficiency in the Interest or Principal Accounts, except that, any balance in the Account which is in excess of the maximum annual interest on the outstanding bonds, will become surplus to be used as described below.

5. *Surplus.* After making the required transfers to the Interest Account, the Principal Account (and/or Sinking Fund Account if parity term bonds should be issued) and the Reserve Account, and if the tax revenues received or to be received by the Agency for the current fiscal year are at least equal to maximum annual bond service on the bonds and any parity bonds the balance in the Special Fund may be used for any legal purpose of the Agency including the repayment of advances from the City and the purchase and/or call for redemption of bonds and parity bonds.

Additional Bonds

The Agency may issue additional parity bonds to meet project costs, subject to the following conditions:

1. The Agency is in compliance with all covenants set forth in the resolution providing for the issuance of these bonds.

2. Tax revenues received or to be received by the Agency must be equal to at least 1.25 times the maximum annual debt service on the bonds and the parity bonds. For purposes of this calculation the tax revenues to be received by the Agency are to be based on the most recent assessed valuation of the project area plus, at the option of the Agency, an allowance for additional tax revenues to be received during any of the next three fiscal years based upon increases in assessed valuation resulting from construction then in progress, as shown by a certificate or opinion of the Los Angeles County Assessor and/or Auditor-Controller, or of an independent MAI Appraiser.

3. The resolution providing for the issuance of the parity bonds must require that the following amounts be placed in the Special Fund for deposit in the accounts shown.

a. *Bond Interest Account:* An amount equal to the interest on the parity bonds which will become due prior to the date on which the Agency may expect to receive the next allocation of tax revenues, unless the optional allowance for additional tax revenues has been used in computing coverage of maximum annual debt service, in which case the amount shall be equal to the interest coming due on the parity bonds prior to the date the Agency may reasonably expect to receive such estimated additional tax revenues.

b. *Reserve Account:* The amount required to make the balance in the account equal to the next two interest payments on the bonds and the parity bonds (the Minimum Reserve Account Balance).

4. The principal of the parity bonds must be payable on October 1 and the final payment of such principal must not be earlier than the final maturity date of the Bonds.

5. The parity bonds may not be subject to call for redemption prior to October 1, 1987.

Refunding Bonds

The resolution provides that refunding bonds secured by Tax Revenues derived from Freeway Development Project No. 1 may be issued for the purpose of refunding all or any series of the bonds then outstanding.

Deposit and Investment of Funds

All moneys held by the Fiscal Agent in the Special Fund shall be invested in securities as described below, or held in time or demand deposits in any bank or trust company authorized to accept deposits of public funds.

Monies in the Special Fund (including the Bond Principal, Bond Interest and Reserve Accounts) shall, upon written request of the Agency, be invested by the Fiscal Agent in Federal securities.

Securities purchased with monies in the Bond Principal and Bond Interest Accounts shall mature on or before the date the proceeds shall be needed to pay bond principal and interest, respectively.

Securities purchased with monies in the Reserve Account shall mature within five years of the date of the investment.

Money in the Redevelopment Fund may be invested in any securities which will mature on or prior to the date the Agency will require the funds.

Earnings realized from the investment of moneys in the various funds and accounts, including gains realized upon the sale or redemption of such investments, shall be credited to such fund or account. Any loss resulting from the sale or redemption of such investments will be charged to the fund or account from which moneys were derived to make the investments.

Investments held in the Bond Principal and Bond Interest Accounts shall be valued at the amount due at maturity. Investments held in the Reserve Account shall be valued at their appraised market value.

Moreover, the Agency covenants in the bond resolution to make no use of the proceeds from the sale of the bonds which would cause the bonds to be arbitrage bonds.

Other Covenants

Under the resolution providing for the issuance of the bonds the Agency covenants:

1. To complete the redevelopment project with all practicable dispatch and not to amend the redevelopment plan in any manner that would substantially impair the security of the bonds or the rights of the bondholders.

2. To use the bond proceeds as provided in the resolution and operate its properties within the project area in a businesslike manner.
3. Not to incur any obligations which have a lien on the tax revenues which is equal to or prior to the lien of the bonds except obligations incurred pursuant to the provisions for parity bonds and refunding bonds.
4. To punctually pay bond interest and principal when due.
5. To pay or to contest in good faith any taxes, service charges, assessments or other governmental charges and all lawful claims for labor, materials and supplies which might become a lien on the Agency's property or income.
6. To keep proper books and accounts and, within 120 days of the end of each fiscal year, to prepare financial statements for that fiscal year certified by an independent certified public accountant.
7. To use the proceeds realized from any property taken under eminent domain proceedings to pay bond interest and principal.
8. Not to dispose of more than ten percent of the land in the project area (except land now scheduled for public use in the redevelopment plan, and land used for public streets, easements or rights of way for water and sewer lines and other public utilities, or other similar uses) to any entity whose property is tax exempt if such disposition would substantially impair the security of the bonds or the rights of bondholders.

The resolution also provides that if any property is leased by the agency the lessee will be required to pay taxes and/or amounts in lieu of taxes equal to the taxes which would have been payable had the property been privately owned.

Amendment of the Resolution

The bond resolution may be amended with the consent of the owners of at least 60 percent of the outstanding bonds (excluding bonds owned by the Agency, or the City) provided that no such amendment shall extend the time for, or reduce the amount of, payment of principal or interest without the consent of the affected bondholder or reduce the per-

centage of bonds required to approve amendments to the resolution.

The Agency may, without the consent of the bondholders, amend the resolution, to cure ambiguities or other defects, by provisions not adversely affecting the rights of the bondholders, or to provide for the issuance of additional bonds in accordance with the provisions of the resolution.

Remedies Upon Default

The bond resolution provides that any of the following shall constitute an event of default:

1. Failure to punctually pay interest or principal.
2. Failure by the Agency for a period of 30 days to observe any of the terms of the resolution.
3. If the Agency files a petition in bankruptcy under Federal law, or if a court shall approve a petition seeking reorganization under Federal bankruptcy laws, or if a court shall assume custody of the Agency or its property under any law for the relief of debtors.

In any such event of default the resolution provides that either the Fiscal Agent or the holders of a majority of the bonds may declare all of the bond principal and accrued interest immediately due and payable. If such declaration of acceleration is made the monies in the Special Fund (including the Interest, Principal and Reserve Accounts), and any Tax Revenues received will be applied as follows:

1. First, to pay the Fiscal Agent or the bondholders the costs of making the declaration of acceleration.
2. Next, to the payment of principal and interest together with interest at the rate of eight percent on any overdue installments of interest and principal (to the extent permitted by law), provided that if the money available is not sufficient to pay all principal and interest it is to be pro rated against all outstanding amounts.

Estimated Annual Bond Service

Table 1 shows an estimate of the annual bond service requirements for the \$3,200,000 of Freeway Development Project No. 1 Tax Allocation Bonds, based on an estimated interest rate of six percent.

Table 1

**COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MONTEREY PARK
1977 FREEWAY DEVELOPMENT PROJECT NO. 1 TAX ALLOCATION BONDS**

Estimated Annual Bond Service

Year	Principal Outstanding	Interest Estimated @ 6%	Principal Maturing	Total Bond Service	Less: Amount Released From Reserve	Net Funds Required
1978	\$3,200,000	\$ 192,000 ^①	\$ 20,000	\$ 212,000	\$ 1,200	\$ 210,800
1979	3,180,000	190,800	60,000	250,800	3,600	247,200
1980	3,120,000	187,200	65,000	252,200	3,900	248,300
1981	3,055,000	183,300	65,000	248,300	3,900	244,400
1982	2,990,000	179,400	70,000	249,400	4,200	245,200
1983	2,920,000	175,200	75,000	250,200	4,500	245,700
1984	2,845,000	170,700	80,000	250,700	4,800	245,900
1985	2,765,000	165,900	85,000	250,900	5,100	245,800
1986	2,680,000	160,800	90,000	250,800	5,400	245,400
1987	2,590,000	155,400	100,000	255,400	6,000	249,400
1988	2,490,000	149,400	105,000 ^②	254,400	6,300	248,100
1989	2,385,000	143,100	110,000 ^②	253,100	6,600	246,500
1990	2,275,000	136,500	120,000 ^②	256,500	7,200	249,300
1991	2,155,000	129,300	125,000 ^②	254,300	7,500	246,800
1992	2,030,000	121,800	135,000 ^②	256,800	8,100	248,700
1993	1,895,000	113,700	140,000 ^②	253,700	8,400	245,300
1994	1,755,000	105,300	150,000 ^②	255,300	9,000	246,300
1995	1,605,000	96,300	160,000 ^②	256,300	9,600	246,700
1996	1,445,000	86,700	170,000 ^②	256,700	10,200	246,500
1997	1,275,000	76,500	180,000 ^②	256,500	10,800	245,700
1998	1,095,000	65,700	195,000 ^②	260,700	11,700	249,000
1999	900,000	54,000	205,000 ^②	259,000	12,300	246,700
2000	695,000	41,700	220,000 ^②	261,700	13,200	248,500
2001	475,000	28,500	230,000 ^②	258,500	13,800	244,700
2002	245,000	14,700	245,000 ^②	259,700	14,700	245,000
Totals		<u>\$3,123,900</u>	<u>\$3,200,000</u>	<u>\$6,323,900</u>	<u>\$ 192,000</u>	<u>\$6,131,900</u>

① One half paid from bond proceeds.

② Callable on and after October 1, 1987.

THE REDEVELOPMENT AGENCY

The Community Redevelopment Agency of the City of Monterey Park was activated under provisions of Ordinance No. 1254 of the City Council of the City of Monterey Park, adopted November 17, 1969, and pursuant to the Community Redevelopment Law of the State of California commencing with Section 33000 of the Health and Safety Code.

Governing Board

The City Council acts as the governing board of the Agency. Following are the members of the City Council and the Agency governing board.

The current Chairman of the Agency is George Ige. Mr. Ige, who also serves as Mayor of the City, is an educator serving as Vice Principal in the Los Angeles school system. Mr. Ige has resided in the City for the past 15 years and was first elected to the City Council in April of 1970. His present term expires in 1978.

The Agency's Vice Chairman, G. Monty Manibog, also serves as Mayor Pro Tem of the City. Mr. Manibog is an attorney. His law office is located in Monterey Park, and he has resided in the City for the past 16 years. Mr. Manibog has also served as a member of the Democratic State Senators Committee. He was elected to the City Council in 1976.

Matthew G. Martinez, a resident of the City for 15 years, first served the City on the Planning Commission, then was elected to the City Council in 1974 and was later named Mayor. He is also a member of the Solid Waste Management Board of California. Mr. Martinez owns an upholstery shop in Monterey Park.

Mr. George Westphaln has resided in the City for the past 21 years. Mr. Westphaln has been a member of the City Council since 1974 and is a former Mayor. He has also previously served on the Parks and Recreation Commission. He served as Assistant Postmaster in Monterey Park from 1955 until his retirement.

Mrs. Louise Davis has been a resident of the City for 22 years. She serves on the West San Gabriel Valley Juvenile Diversion Project, is on the Advisory Board of East Los Angeles College, and has served on the Community Relations Commission for the City. She was elected to the City Council in 1976.

Agency Staff

The Agency does not directly employ any personnel. Instead, Agency functions are carried out by City staff. Following are the principal staff members responsible for Agency functions.

Executive Director and Treasurer. The Executive Director and Treasurer of the Agency is Mr. Lloyd de Llamas who has been City Manager since September 1976. Mr. de Llamas has 14 years experience in government.

Attorney. The Agency's Attorney is Michael Montgomery, who specializes in redevelopment law for several Southern California redevelopment agencies.

Assistant Treasurer. The Assistant Treasurer for the Community Redevelopment Agency is the City Director of Finance, David P. Bentz. Mr. Bentz has 18 years of public service relating to municipal finance, serving Monterey Park for 11 of those 18 years.

Powers

Under the Community Redevelopment Law, the Agency is a separate public body and exercises governmental functions in executing duly adopted redevelopment projects. The Agency has the right to acquire property, by purchase or eminent domain proceedings; to clear, develop and improve property; to sell or lease such property; to construct public buildings; to accept financial assistance from any source; and to issue bonds.

Other features of California law which bear on redevelopment agencies include general provisions which require public agencies to let contracts for construction only after competitive bidding. The Community Redevelopment Law provides that construction in excess of \$2,500 undertaken by the Agency shall be done after competitive bidding. California statutes also provide for offenses punishable as felonies which involve direct or indirect interest of a public official in a contract made by such official in his official capacity. In addition, the Community Redevelopment Law prohibits any Agency or City official or employee who, in the course of his duties, is required to participate in the formulation or approval of plans or policies, from acquiring any interest in property in the Project Area.

Under an initiative measure enacted in 1974, public officials are required to make extensive dis-

closures regarding their financial interests by filing such disclosures as public records. The members of the Community Redevelopment Agency of the City of Monterey Park and other Agency officials have made these filings.

California also has strict laws regarding public meetings (known as the Ralph M. Brown Act) which make all Agency and City meetings open to the public, with certain exceptions such as meetings to discuss personnel or litigation involving the Agency or City.

Redevelopment Projects

The Community Redevelopment Agency of the City of Monterey Park has established two redevelopment project areas, Freeway Development Project No. 1, which is described in the section of this official statement entitled "The Project" and the Atlantic-Garvey Project.

The Atlantic-Garvey Project was originally established in 1972 to cover an area of 49 acres. The redevelopment plan for the project area was subsequently amended in 1973 and 1974 to reduce the area to 6.5 acres and then was subsequently reamended in 1976 to encompass an area of more than 400 acres in which extensive commercial, industrial and public improvements are planned.

Additional Financing

The Agency is currently studying the means of financing the redevelopment of the Atlantic-Garvey Project, including the possibility of issuing tax allocation bonds. However, there would be no parity between any obligations incurred in connection with the Atlantic-Garvey Project and the bonds currently being offered for sale since tax increment revenues derived from Freeway Development Project No. 1 may only be used in connection with that project.

Audited Financial Statements

Tables 1 and 2 which follow present summaries of financial data which have been abstracted from reports on examinations of financial statements by the Agency's independent certified public accountants. The reports state that the examinations were made in accordance with generally accepted auditing standards, and contain opinions that the financial statements present fairly the financial position of the various funds and account groups of the Agency and

the results of their operations for each of the three years ended June 30, 1977. The reports contain certain notes to financial statements in addition to those described below under the subheading Significant Accounting Policies, which notes constitute an integral part of the certified financial statements. Copies of these reports are on file with the Agency and are available on request.

Balance Sheets

Table 2 shows the assets, liabilities and fund balances of the various funds maintained by the Agency as shown in annual financial statements for the fiscal years ended June 30, 1976 and 1977.

The item shown as "Note payable to bank" consists of a loan from the Bank of America NT&SA with interest payable quarterly at the rate of 4.975 percent per annum which matured June 30, 1977. However, the Agency has negotiated a one-year extension of the loan. It is expected that the loan will be repaid from the proceeds of the bonds currently being offered for sale.

The item shown as "Loans payable to City" consists of loans made to the Agency by the City. The City has established the interest rate on the loans at seven percent, not compounded. The item shown as "Due to City" consists of the value of services provided by members of the City staff to the Agency and is repayable without interest. It is expected that the loan from the City and a portion of the amount due to the City for services provided will be repaid from the proceeds of the bonds currently being offered for sale.

Revenues, Expenditures and Fund and Reserve Balances

Table 3 summarizes the revenues, expenditures and changes in fund balances and reserves of the various funds maintained by the Agency as shown in annual financial statements for the three fiscal years ended June 30, 1977.

The item shown as "Rentals" consists of amounts paid to the Agency by Ameron, Incorporated, for use of a property deeded to the Agency in exchange for land on which the new Ameron headquarters building has been built. The building is described in the section of this official statement entitled "The Project". During the time the new headquarters building was under construction Ameron leased back the deeded property from the Agency for a rental of \$10,400 per month.

Significant Accounting Policies

The annual financial statements state that the accounting principles of the Agency conform to generally accepted accounting principles applicable to governmental units and summarize the significant policies substantially as follows:

1. The modified accrual basis of accounting is followed. Revenues are recorded when received in cash except that revenues susceptible to accrual are recognized in the period due. Expenditures are recorded at the time liabilities are incurred, except that prepaid expenses are not recorded.
2. Investments held by the fiscal agent are stated at cost, which approximates market value.
3. Project land costs are allocated between parcels on the basis of acreage. During the year ended June 30, 1975, land costs related to the acquisition of a Civic Center were recorded as project expenditures, and were included in a general fixed assets group of accounts as of June 30, 1975 and 1976. During the year ended June 30, 1977, the Agency determined that it would offer for sale land previously held for use as a Civic Center, and accordingly, land (and related building) costs were added to inventory held for sale, with a corresponding increase in fund balance. Costs of project land held for future sale are capitalized to inventory at the lower of acquisition costs or market, and are charged to project expenditures as related land is sold.
4. At June 30, 1977 the Agency had substantially no general fixed assets. The cost of roads, streets, bridges, curbs, gutters, drainage systems, lighting systems and other such improvements are not capitalized.
5. Bond discount and bond issue costs are being amortized ratably over the life of the bonds.
6. Rental income and expenses related to the lease with Ameron are accounted for under the operating method.
7. Section 33610 of the California Redevelopment Law authorizes a city to allocate to an agency such salaries and overhead expenses as the city deems necessary. During the three years ended June 30, 1977, the City of Monterey Park allocated salaries and overhead costs of \$11,532, \$16,000 and \$38,601, respectively, to the Agency.

Table 2

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MONTEREY PARK

Balance Sheets

ASSETS	June 30, 1976				
	Freeway Development Project No. 1			Atlantic-Garvey Project	
	Combined Capital Projects and Operating Fund	Special Fund	Long-Term Debt Group of Accounts	Combined Capital Projects and Operating Fund	Long-Term Debt Group of Accounts
Cash in bank	\$ 45,670	\$ 9,600	\$ —	\$ 7,143	\$ —
Certificate of deposit	250,000	—	—	—	—
Cash and investments held by fiscal agent	—	771,859	—	—	—
Accrued interest receivable	2,278	6,251	—	—	—
Taxes receivable	—	—	—	—	—
Due from other funds	—	—	—	—	—
Land and building, at cost — Pad A . .	1,169,571	—	—	—	—
Project land under development, held for future sale, at cost — Pad B . .	778,177	—	—	—	—
Bond discount and bond issue costs, less accumulated amortization (\$11,555)	64,808	111,024	—	—	—
Amounts to be provided from tax increment revenue	—	—	—	4,538	—
Amount to be provided from prospec- tive bond issue	—	—	2,930,500	—	—
Amount to be provided for long-term debt	—	—	—	—	5,000
TOTAL ASSETS	\$2,310,504	\$ 898,734	\$2,930,500	\$ 11,681	\$ 5,000
LIABILITIES AND FUND BALANCES					
Vouchers payable	\$ 4,602	\$ —	\$ —	\$ —	\$ —
Accrued interest payable	44,308	15,513	—	1,389	—
Refundable deposits	—	—	—	—	—
Due to City of Monterey Park	45,820	—	—	14,226	—
Due to other funds	—	—	—	—	—
Note payable to bank	300,000	—	—	—	—
Loans payable to City of Monterey Park	—	—	530,500	—	5,000
Deferred rent	123,432	—	—	—	—
Bonds payable	—	—	2,400,000	—	—
Reserve for bond interest	—	883,221	—	—	—
Investment in civic center land and building under lease to Ameron — Pad A	1,169,571	—	—	—	—
Fund balance (Deficit)	622,771	—	—	(3,934)	—
TOTAL LIABILITIES AND FUND BALANCES	\$2,310,504	\$ 898,734	\$2,930,500	\$ 11,681	\$ 5,000

Table 2 (continued)

ASSETS	June 30, 1977				
	Freeway Development Project No. 1			Atlantic-Garvey Project	
	Combined Capital Projects and Operating Fund	Special Fund	Long-Term Debt Group of Accounts	Combined Capital Projects and Operating Fund	Long-Term Debt Group of Accounts
Cash in bank	\$ 73,054	\$ 1,098	\$ —	\$ —	\$ —
Certificate of deposit	425,000	—	—	—	—
Cash and investments held by fiscal agent	—	627,904	—	—	—
Accrued interest receivable	5,276	5,609	—	—	—
Taxes receivable	—	734	—	—	—
Due from other funds	9,171	—	—	—	—
Land and building, at cost — Pad A ..	1,169,571	—	—	—	—
Project land under development, held for future sale, at cost — Pad B ...	422,227	—	—	—	—
Bond discount and bond issue costs, less accumulated amortization (\$19,051)	62,045	106,291	—	—	—
Amounts to be provided from tax increment revenue	—	—	—	—	—
Amount to be provided from prospective bond issue	—	—	2,930,500	—	—
Amount to be provided for long-term debt	—	—	—	—	5,000
TOTAL ASSETS	<u>\$2,166,344</u>	<u>\$ 741,636</u>	<u>\$2,930,500</u>	<u>\$ —</u>	<u>\$ 5,000</u>
LIABILITIES AND FUND BALANCES					
Vouchers payable	\$ 7,884	\$ —	\$ —	\$ 6,530	\$ —
Accrued interest payable	81,408	16,365	—	1,739	—
Refundable deposits	3,813	—	—	—	—
Due to City of Monterey Park	64,557	—	—	34,090	—
Due to other funds	—	—	—	9,171	—
Note payable to bank	300,000	—	—	—	—
Loans payable to City of Monterey Park	—	—	530,500	—	5,000
Deferred rent	—	—	—	—	—
Bonds payable	—	—	2,400,000	—	—
Reserve for bond interest	—	725,271	—	—	—
Investment in civic center land and building under lease to Ameron — Pad A	—	—	—	—	—
Fund balance (Deficit)	1,708,682	—	—	(51,530)	—
TOTAL LIABILITIES AND FUND BALANCES	<u>\$2,166,344</u>	<u>\$ 741,636</u>	<u>\$2,930,500</u>	<u>\$ —</u>	<u>\$ 5,000</u>

Table 3

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MONTEREY PARK

Revenues, Expenditures and Fund and Reserve Balances

Fiscal Year:	1974/75	1975/76	1976/77
FREEWAY DEVELOPMENT PROJECT NO. 1 Combined Capital Projects and Operating Fund			
REVENUES			
Rentals	\$ —	\$ 95,457	\$ 119,619
Interest	2,694	13,823	18,409
Bond proceeds	1,440,000	—	—
Bank loan	—	300,000	—
Loan from City	—	223,000	—
Total revenues	1,442,694	632,280	138,028
EXPENDITURES			
Property acquisitions	756,206	413,368	116,041
City staff time	14,622	16,000	18,737
Professional and consulting fees	7,467	15,779	14,186
Interest on loans	11,532	40,751	52,025
Building maintenance and insurance	—	21,590	23,744
Amortization of bond issuance costs	1,496	2,763	2,763
Miscellaneous	3,931	1,555	3,792
Total Expenditures	795,254	511,806	231,288
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	647,440	120,474	(93,260)
PREVIOUS FUND BALANCE (DEFICIT)	(34,323)	613,117	622,771
ADJUSTMENTS			
Transfer from other funds	—	—	9,600
Transfer to Long Term Debt Group of Accounts	—	307,500	—
Transfer to Reserve for Bond Interest	—	(118,320)	—
Increase in bank loan	—	(300,000)	—
Decrease in investment in civic center land and building	—	—	1,169,571
ENDING FUND BALANCE	\$ 613,117	\$ 622,771	\$1,708,682
Special Fund			
REVENUES			
Tax increment	\$ —	\$ —	\$ 1,831
Interest	47,108	59,003	46,551
Bond proceeds	960,000	—	—
Transfer from Redevelopment Fund	—	118,320	—
Total revenues	1,007,108	177,323	48,382
BOND INTEREST EXPENSE	104,477	196,733	196,732
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	902,631	(19,410)	(148,350)
Transfer to other funds	—	—	(9,600)
PREVIOUS RESERVE FOR BOND INTEREST	—	902,631	883,221
ENDING RESERVE FOR BOND INTEREST	\$ 902,631	\$ 883,221	\$ 725,271
ATLANTIC-GARVEY PROJECT Combined Capital Projects and Operating Fund			
TAX INCREMENT REVENUE	\$ 5,414	\$ 4,555	\$ —
EXPENDITURES			
Interest	350	350	350
City staff time	—	—	19,864
Professional and consulting fees	—	—	26,657
Miscellaneous	—	—	725
Total Expenditures	350	350	47,596
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	5,064	4,205	(47,596)
PREVIOUS FUND BALANCE (DEFICIT)	(18,203)	(13,139)	(3,934)
TRANSFER TO LONG TERM DEBT GROUP OF ACCOUNTS	—	5,000	—
ENDING FUND BALANCE (DEFICIT)	\$ (13,139)	\$ (3,934)	\$ (51,530)

THE PROJECT

Freeway Development Project No. 1 was created by Ordinance No. 1368, adopted by the Monterey Park City Council on March 11, 1974, and amended on June 28, 1976. The Project constitutes the second redevelopment project of the Community Redevelopment Agency, the first being the Atlantic-Garvey Project which was established in October, 1972.

Table 4 presents a summary of the Freeway Development Project's assessed valuation at the time of its formation.

Table 4

**COMMUNITY REDEVELOPMENT OF
THE CITY OF MONTEREY PARK
FREEWAY DEVELOPMENT PROJECT NO. 1**

**Assessed Valuation At Time of
Project Area Formation (Fiscal Year 1973/74)**

Tax Roll	Land	Improve- ments	Personal Property	Total
Local secured . .	\$165,250	\$14,810	\$45,050	\$225,110
Utility . . .	—	50	970	1,020
Total secured	\$165,250	\$14,860	\$46,020	\$226,130
Unsecured	—	—	8,150	8,150
Total . .	\$165,250	\$14,860	\$54,170	\$234,280

Project Area

The Freeway Development Project includes an area of approximately 25.02 acres located in the northwest corner of Monterey Park. The project area is traversed by the Long Beach Freeway immediately south of its junction with the San Bernardino Freeway. Approximately 22.99 acres lie west of the Long Beach Freeway and the remainder to the east. Figure 2 presents a diagram of the project area's boundaries.

The Redevelopment Plan

Freeway Development Project No. 1 was established to eliminate blight and upgrade land usage in accordance with provisions of the Community Redevelopment Law of the State of California. Prior to August, 1974, the 22.99 acres of the project area which are located west of the Long Beach Freeway were largely unimproved and used as a brick manu-



Figure 2: Freeway Development Project No. 1 Project Area



Aerial view of the project area and vicinity looking north. Lincoln Savings and Loan Association building is located to the south and west of the San Bernardino and Long Beach freeways. Ameron Center is to the left. Public Storage facility is shown to the right of the Long Beach Freeway.

facturing yard. The 2.03 acres situated east of the Long Beach Freeway consisted of unimproved excess lands owned by the State Division of Highways.

The Redevelopment Plan for Freeway Development Project No. 1 called for the development of the project area in three pads: "Pad A" consisted of a 12.54 acre parcel slated as the site for Ameron Inc.'s corporate headquarters; "Pad B" included the remaining 10.45 acres located west of the Long Beach Freeway; and "Pad C" represented a net building area of 2.03 acres after deducting a drainage easement across the property.

Status of the Project

The Project contains four buildable parcels (since Pad B was subdivided in January, 1977) of which two parcels are completely developed, one is in the process of development and the remaining parcel is currently vacant. Development has been as follows:

Ameron Center

The international headquarters of Ameron, Inc. occupies a 12.54 acre site that was originally designated as "Pad A" of the redevelopment project area. The building, constructed of structural steel with a precast concrete exterior, is a five-story, 125,000 square foot structure which opened on May 16, 1977. The facility is occupied by Ameron's corporate offices and its Pipe Division — Southern California. Approximately 300 employees work in the building which has the capacity to accommodate 400 workers. Ameron has reserved 19,000 square feet of office space for leasing to tenants.

Ameron acquired the 12.54 acre site from the Community Redevelopment Agency in exchange for fee title to Ameron's previous corporate headquarters (also located in Monterey Park but outside the project area). The Agency then leased Ameron's existing building back to the company during the construction period. The terms of this transaction were incorporated in a Disposition and Development Agreement between the Agency and Ameron, Inc. dated August 9, 1974.

The five-story office building was built at a cost of \$7.5 million and was primarily financed by a \$7 million first mortgage arranged by Goldman Sachs Realty Corp.

Ameron, Inc. was originally incorporated as the American Concrete and Steel Pipe Company in 1929. The firm, headquartered in Monterey Park for the past 20 years, had sales exceeding \$208 million during its fiscal year ended November 30, 1976. Ameron manufactures concrete and steel pipe for water, sewage and drainage transmission; steel and concrete poles for street lighting and traffic control; corrosion-resistant coatings and linings; and precast and prestressed concrete products. The company also rehabilitates existing pipeline systems in place. Ameron maintains principal installations in eight states, Canada, Central and South America, Iran and Western Europe.

Lincoln Savings and Loan Association, Headquarters Office

The 37,000 square foot headquarters of Lincoln Savings and Loan Association is scheduled for completion in October, 1977. The building occupies a 4.78 acre site which initially comprised a portion of "Pad B". Lincoln's new headquarters will consist of two stories plus a basement and its concrete masonry and steel structure will be faced with cedar siding and solar glass windows. The building will house the financial organization's executive offices, several administrative and operating departments plus the operations of Lincoln's parent firm, First Lincoln Financial Corporation, and several subsidiary companies. However, no customer banking facilities will be available at the building. Approximately 105 persons will work at the headquarters upon its completion.

Lincoln Savings and Loan Association purchased the site from the Agency for \$300,000, paid partly in cash and the balance in installments due prior to the start of construction on the site, under terms of an Agreement to Purchase which was entered into on December 10, 1976. The entire \$300,000 has been paid to the Agency. Construction of the headquarters building will cost approximately \$1.5 million.

Lincoln Savings and Loan Association is a wholly-owned subsidiary and the principal asset of First Lincoln Financial Corporation. Originally chartered in California on February 6, 1925, Lincoln Savings and Loan presently operates 14 branch offices in Los Angeles, Orange, Riverside and Ventura counties. Lincoln is a member of the Federal Home Loan Bank System and reported assets totaling more than \$475 million at June 30, 1977.



Aerial view showing the proximity of the project area (shown in the left foreground) to the Los Angeles Civic Center and financial district which appear in the upper portion of the photo.

Undeveloped Portion of "Pad B"

The Community Redevelopment Agency is currently attempting to sell the remaining portion of "Pad B", a 5.67 acre parcel with a 4-acre buildable pad. The Agency is asking \$650,000 for the property and will only consider proposals that provide a minimum of two million dollars in improvements. The asking price includes all utilities including underground power and telephone service, sewer and storm drains, 6-inch gas line and 12-inch water line. The Agency's advertisements have attempted to attract a hotel with restaurant to the site by stressing its visibility and strategic location with respect to major employment centers, transportation and California State University, Los Angeles.

Public Storage, Inc.

The Monterey Park installation of Public Storage, Inc. occupies the 2.03-acre "Pad C" parcel. These facilities consist of two buildings totaling 47,740 square feet and offering 424 individual storage units which vary in size from lockers to full garages. The two buildings were completed in June of 1974. The storage facility is owned by Public Storage, Inc. of Pasadena, California which operates similar facilities at 44 other locations.

Disposition of Bond Proceeds

Table 5 shows the disposition to be made of the funds to be received from the sale of the 1977 Freeway Development Project No. 1 Tax Allocation

Bonds and the funds currently held by the Fiscal Agent in the Special Fund created in connection with the 1974 Freeway Development Project No. 1 Tax Allocation Bonds.

Table 5

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MONTEREY PARK 1977 FREEWAY DEVELOPMENT PROJECT NO. 1 TAX ALLOCATION BONDS

Disposition of Bond Proceeds

Principal to be refunded	\$2,400,000
Interest to redemption date	1,440,000
Premium due at redemption	72,000
Total escrow requirement	\$3,912,000
Less: Interest earnings	1,146,400 ^①
Net escrow deposit	\$2,765,600
Repayment of Loans	694,000
Reserve Account	192,000 ^①
Funded Interest	96,000 ^①
Costs of Issuance	75,800 ^①
Total	\$3,823,400
Less: Funds available	623,400
Net Bond Funds Required	3,200,000

^① Estimated

ESTIMATED TAX INCREMENT REVENUES AND BOND SERVICE

Tax Rate

Table 6 shows the tax rates levied within Freeway Development Project No. 1 for the 1977/78 fiscal year.

Table 6

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MONTEREY PARK

1977/78 Tax Rates Applicable to Freeway Development Project No. 1

Alhambra City School District		
General	\$ 2.6400	
Debt service0626	
Total		2.7026
Alhambra City High School District		
General	\$ 2.2702	
Debt service0537	
Total		2.3239
Los Angeles City Community College District		
General	\$.7253	
Debt service0182	
Total7435
County school services0283
Handicapped education2167
Total school taxes		\$ 6.0150
County of Los Angeles		\$ 4.2544
City of Monterey Park		1.9500
County Flood Control District3265
County Sanitation District No. 22779
San Gabriel Valley Municipal Water District4000
Total taxes		\$13.2238

Assessed Valuation

Table 7 shows the 1977/78 assessed valuation of Freeway Development Project No. 1 and the frozen tax base, together with an estimate of the additional assessed valuation of the Lincoln Savings & Loan Association building based on the valuation shown on the building permit issued by the City of Monterey Park and estimates of the valuation of furniture and equipment based on data provided by Ameron, Inc. and Lincoln Savings & Loan Association.



Ameron Center



Lincoln Savings and Loan Association headquarters under construction.

Table 7

**COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MONTEREY PARK
FREEWAY DEVELOPMENT NO. 1**

Actual and Projected Assessed Valuations

	Land	Improvements	Personal Property	Total
Ameron Corp.①	\$170,000	\$1,443,250	\$ —	\$1,613,250
Lincoln Savings & Loan Assn.①	68,750	12,500	—	81,250
Public Storage①	50,750	88,250	—	139,000
Total Local Secured	\$289,500	\$1,544,000	\$ —	\$1,833,500
Utility②	—	—	2,330	2,330
Unsecured②	—	1,425	2,990	4,415
Total 1977/78 Valuation	\$289,500	\$1,545,425	\$ 5,320	\$1,840,245
Less: Base Year②	165,250	14,860	54,170	234,280
Incremental Increase	\$124,250	\$1,530,565	\$ (48,850)	\$1,605,965
Projected Ameron, Inc.	—	—	300,000③	300,000
Projected Lincoln Savings & Loan Assn.	—	262,500④	69,375③	331,875
Projected Increase	\$124,250	\$1,793,065	\$320,525	\$2,237,840

① Source: Los Angeles County Assessor.

② Source: Los Angeles County Auditor-Controller.

③ Projected at one quarter of company estimate of value of furniture and equipment.

④ Projected at one quarter of building permit valuation less existing improvements on site.

**Estimated Tax Increment and
Bond Service**

Table 8 shows a schedule of estimated bond service coming due in each fiscal year on the \$3,200,000 of 1977 Freeway Development Project No. 1 Tax Allocation Bonds, based on an interest rate of six percent, together with a projection of the tax increments available to meet debt service.

The estimated annual bond service shown in Table 8 differs from that shown in Table 1 because Table 8 shows the amounts coming due in each fiscal year following the receipt of the tax increments while Table 1 shows the amounts coming due in each

calendar year on and prior to the anniversary dates of the bonds.

The projected tax increment is based on the tax rates shown in Table 6 and the assessed valuations shown in Table 7. It may be noted that the projected secured tax increment beginning with the 1977/78 fiscal year exceeds the estimated maximum annual bond service while the projected unsecured tax increment (which is based on the estimated value of furniture and equipment in the Ameron and Lincoln Savings & Loan buildings) brings the total projected revenues to an amount equal to 1.20 times the estimated maximum annual bond service. It should also be noted that no allowance for interest earned on investments of money in the Reserve Fund is included in the revenues shown.

Table 8

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MONTEREY PARK

FREEWAY DEVELOPMENT PROJECT NO. 1

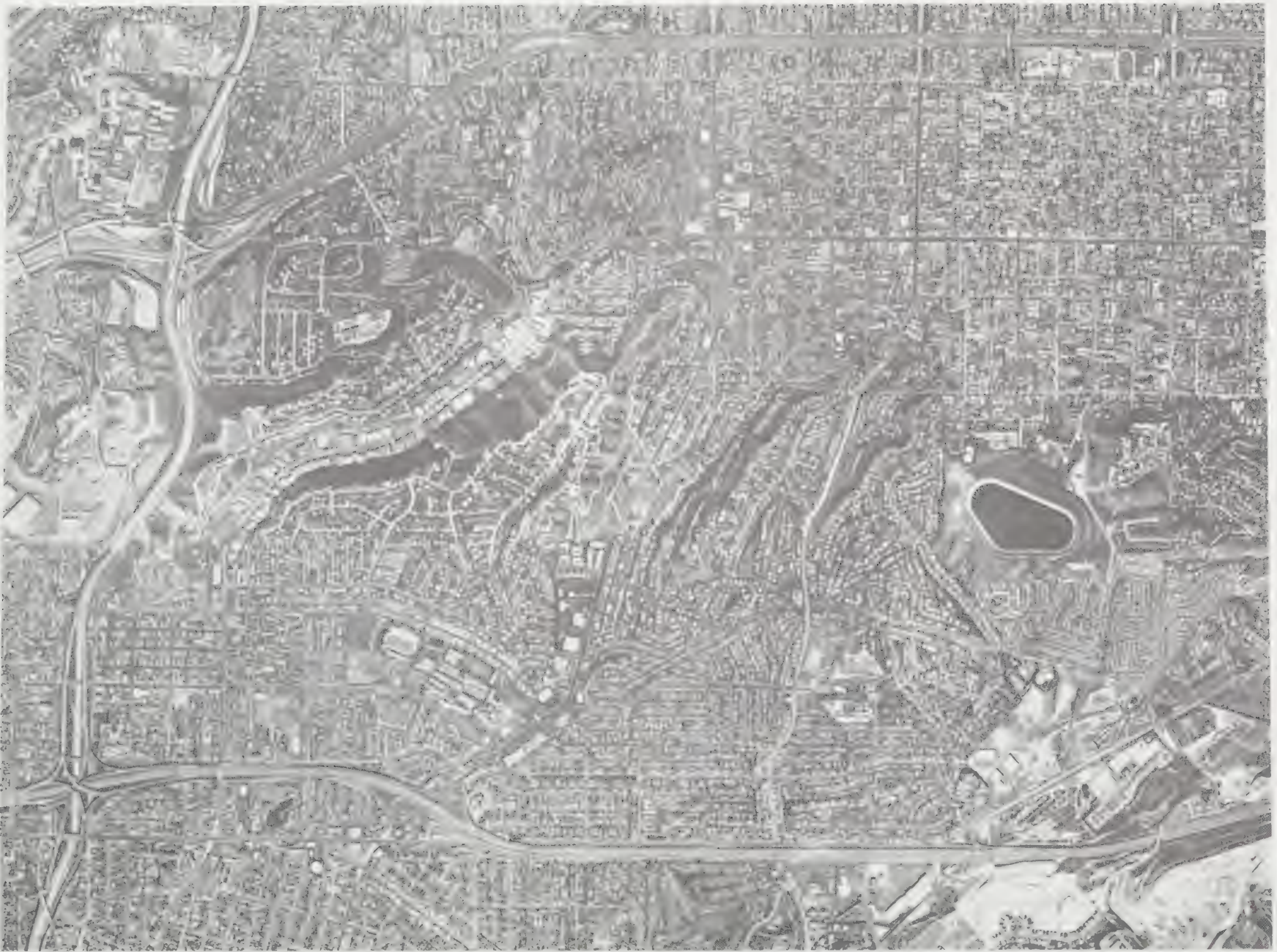
Estimated Annual Bond Service and Tax Increment

Estimated Annual Bond Service

Fiscal Year	Interest Estimated @ 6%	Principal Maturing	Total Bond Service	Less: Amount Released From Reserve	Net Funds Required	Estimated Annual Tax Increment①			Balance
						Secured	Unsecured	Total	
1978/79 ..	\$ 191,400	\$ 20,000	\$ 211,400	\$ 1,200	\$ 210,200	\$ 212,864	\$ (494)	\$ 212,370	\$ 2,170
1979/80 ..	189,000	60,000	249,000	3,600	245,400	247,600	48,300	295,900	50,500
1980/81 ..	185,250	65,000	250,250	3,900	246,350	247,600	48,300	295,900	49,550
1981/82 ..	181,350	65,000	246,350	3,900	242,450	247,600	48,300	295,900	53,540
1982/83 ..	177,300	70,000	247,300	4,200	243,100	247,600	48,300	295,900	52,800
1983/84 ..	172,950	75,000	247,950	4,500	243,450	247,600	48,300	295,900	52,450
1984/85 ..	168,300	80,000	248,300	4,800	243,500	247,600	48,300	295,900	52,400
1985/86 ..	163,350	85,000	248,350	5,100	243,250	247,600	48,300	295,900	52,650
1986/87 ..	158,100	90,000	248,100	5,400	242,700	247,600	48,300	295,900	53,200
1987/88 ..	152,400	100,000	252,400	6,000	246,400	247,600	48,300	295,900	49,500
1988/89 ..	146,250	105,000②	251,250	6,300	244,950	247,600	48,300	295,900	50,750
1989/90 ..	139,800	110,000②	249,800	6,600	243,200	247,600	48,300	295,900	52,700
1990/91 ..	132,900	120,000②	252,900	7,200	245,700	247,600	48,300	295,900	50,200
1991/92 ..	125,550	125,000②	250,550	7,500	243,050	247,600	48,300	295,900	52,850
1992/93 ..	117,750	135,000②	252,750	8,100	244,650	247,600	48,300	295,900	51,250
1993/94 ..	109,500	140,000②	249,500	8,400	241,100	247,600	48,300	295,900	54,800
1994/95 ..	100,800	150,000②	250,800	9,000	241,800	247,600	48,300	295,900	54,100
1995/96 ..	91,500	160,000②	251,500	9,600	241,900	247,600	48,300	295,900	54,000
1996/97 ..	81,600	170,000②	251,600	10,200	241,400	247,600	48,300	295,900	54,500
1997/98 ..	71,100	180,000②	251,100	10,800	240,300	247,600	48,300	295,900	55,600
1998/99 ..	59,850	195,000②	254,850	11,700	243,150	247,600	48,300	295,900	52,750
1999/00 ..	47,850	205,000②	252,850	12,300	240,550	247,600	48,300	295,900	55,350
2000/01 ..	35,100	220,000②	255,100	13,200	241,900	247,600	48,300	295,900	54,000
2001/02 ..	21,600	230,000②	251,600	13,800	237,800	247,600	48,300	295,900	58,100
2002/03 ..	7,350	245,000②	252,350	14,700	237,650	247,600	48,300	295,900	58,250
Totals	\$3,027,900	\$3,200,000	\$6,227,900	\$ 192,000	\$6,035,900	\$6,155,264	\$1,158,706	\$7,313,970	\$1,278,070

① Includes secured taxes apportioned in June of preceding year.

② Callable on and after October 1, 1987.



Aerial view of the City of Monterey Park and vicinity. The City is generally bounded on the north by the San Bernardino Freeway (Interstate 10), which appears at the top of the photo; on the south by the Pomona Freeway, shown at the bottom of the photo; on the west by the Long Beach Freeway which appears to the left; and extends to the east of Garvey Reservoir, the body of water shown in the center-right portion of the photo.

THE CITY

The City of Monterey Park is located 8 miles east of the Los Angeles Civic Center at the gateway to the San Gabriel Valley. The City encompasses an area of 7.72 square miles and contains an estimated 50,400 residents. Development within the City consists primarily of suburban residential neighborhoods coupled with balanced commercial and industrial facilities.

Despite its proximity to downtown Los Angeles, Monterey Park has maintained an independent character throughout its 61 year history. The City's location, bracketed by the San Bernardino, Long Beach and Pomona freeways, offers residents the economic and cultural advantages of the nation's second largest urban expanse.

The topography of the City varies between relatively flat land and moderate relief hills. The City's hillside and hilltop areas offer spectacular views of metropolitan Los Angeles and the San Gabriel Valley and provide sites for Monterey Park's choicest residential dwellings.

The City has a sunny, mild climate with annual average temperatures ranging between 49.9 and 77.6 degrees and normal rainfall exceeding 16.9 inches per year.

Municipal Government

Monterey Park was incorporated in 1916 as a general-law city. The City's electorate adopted the council-manager form of government in 1948.

The City Council is composed of five members who are elected at large to overlapping four-year terms at elections held every two years. The Council selects one of its members to serve as Mayor.

All City functions are carried out under the direction of the City Manager, who is appointed for an indeterminate term by the City Council. The City has eight departments organized on a functional basis and operates under a preliminary 1977/78 budget of \$11,607,803 (the final budget will depend upon the outcome of labor negotiations discussed below).

The City employs 265 full-time and approximately 75 part-time seasonal employees. Virtually all full-time employees are represented by one of three employee bargaining units: the Monterey Park Peace Officers Association, the Teamsters, or the Monterey Park Miscellaneous Employees Association. Under

provisions of the Meyers, Milius, Brown Act of California, formal contractual agreements are not executed between the City and bargaining units. However, terms of salary settlements are incorporated into memoranda of understanding. The most recent memoranda of understanding expired June 30, 1977. The City is currently negotiating with the three employee bargaining units to renew the agreements. The City has never experienced a work stoppage or slowdown and none is expected during the current round of negotiations.

Population

The population of Monterey Park increased nearly six-fold from 8,531 persons in 1940 to an estimated 50,400 residents in January, 1977. Factors which have fostered this growth include the City's close proximity to the Los Angeles Civic Center and other major employment centers, direct freeway access, and the relative attractiveness of the City's residential neighborhoods in comparison with local alternatives. The City's population has continued to grow at a faster rate than that of Los Angeles County as indicated by the following tabulation.

CITY OF MONTEREY PARK AND LOS ANGELES COUNTY

Population Growth

Year	City of Monterey Park		Los Angeles County	
	Popu- lation	% Increase (Decrease)	Popu- lation	% Increase (Decrease)
1940① ...	8,531	— %	2,785,643	— %
1950① ...	20,395	139.1	4,151,687	49.0
1960① ...	37,821	85.4	6,038,771	45.4
1970① ...	49,166	30.0	7,040,679	16.6
1977② ...	50,400	2.5	7,023,800	(0.2)

① U.S. Census.

② January estimate by State Department of Finance.

Although the City's population increased only 2.5 percent between 1970 and 1977 the City Planning Department currently estimates that the population of Monterey Park will grow at a significantly higher rate during the next seven-year period.

Housing and Income

The 1970 Census of Housing reported a total of 16,337 dwelling units in the City, of which 12,139 were single-family homes, 4,055 multiple-family dwellings and 143 were mobile homes. The 1970 Census reported that 76.5 percent of the single-family dwellings and 59.2 percent of all Monterey Park's housing units were owner-occupied. The 1970 median value of single-family dwellings in the City was \$27,600 and the median rent was reported at \$117 per month. Comparable figures for Los Angeles County were \$24,300 and \$110, respectively. The accompanying tabulation presents a summary of 1970 home values and monthly rents within the City.

CITY OF MONTEREY PARK

Home Values and Monthly Rents, 1970

Home Values	Number	Percentage
Less than \$10,000	32	0.4%
\$10,000-\$14,999	283	3.1
\$15,000-\$19,999	976	10.6
\$20,000-\$24,999	2,307	25.2
\$25,000-\$34,999	3,791	41.3
\$35,000-\$49,999	1,524	16.6
\$50,000 and Over	258	2.8
Total	9,171	100.0%

Monthly Rents	Number	Percentage
No cash rent	118	1.9%
Less than \$40	55	0.9
\$ 40-\$ 79	750	11.9
\$ 80-\$ 99	1,240	19.7
\$100-\$119	1,219	19.3
\$120-\$149	1,744	27.7
\$150-\$199	893	14.2
\$200 and Over	275	4.4
Total	6,294	100.0%

Source: 1970 U.S. Census.

The general condition of Monterey Park's housing stock was summarized in a study prepared by the City's Planning Department in January, 1977. The housing study reported that 85.5 percent of the City's housing units were structurally sound, 9.3 per-

cent needed some repair, 4.2 percent required rehabilitation and 1.0 percent needed demolition. The City has undertaken a program of housing rehabilitation using Federal funds under the Housing and Community Development Act in those areas found to be most in need of repairs.

The 1970 U.S. Census reported that the median income of Monterey Park households during 1969 was \$12,381, compared to \$10,970 for Los Angeles County as a whole. The City ranked 28th out of the 106 cities and unincorporated areas within Los Angeles County for which 1969 median family incomes were reported by the Census Bureau.

Building Activity

Despite an absence of large expanses of vacant, buildable land the City has experienced a high level of construction activity during the past 18 months. The following tabulation summarizes the valuation of building permits issued by the City and the number of new dwelling units approved during the past five calendar years. It should be noted that the value of building permits issued during 1976 was greater than the sum of the permits issued during the preceding three years, while the number of new single-fam-

ily dwellings approved during 1976 was nearly twice as large as the aggregate of the preceding four years.

The record-high levels of building permits issued by the City during the first six months of 1976 have been surpassed during the first half of 1977. Building permits issued during the first six months of 1977 totaled \$13,832,832 and included 271 new residential units, of which 36 were single-family homes. Comparable figures for the first six months of 1976 were \$10,017,372; 74; and 12, respectively.

Employment

The majority of Monterey Park's employed residents work either in the major government and financial centers of downtown Los Angeles or in the commercial/industrial centers of Los Angeles, Alhambra, Pasadena, Commerce, Industry and Monterey Park.

The Monterey Park Labor Market Area includes the cities of Alhambra, Monterey Park and San Gabriel. When last surveyed in January 1974, this labor market area contained an estimated population of 140,467 and provided 64,303 jobs as summarized in the tabulation on the following page.

CITY OF MONTEREY PARK

Building Permit Valuations (\$000 omitted) and New Dwelling Units

Calendar Year:	1972	1973	1974	1975	1976
VALUATIONS					
Single-Family Dwellings	\$ 814	\$ 114	\$ 492	\$ 848	\$ 5,956
Duplex Dwellings	322	83	83	205	475
Multiple Dwellings	1,026	7,304	1,919	2,250	8,846
Residential Alterations and Additions	992	1,230	1,364	1,727	2,027
Commercial Buildings	998	1,216	390	813	6,458
Industrial Buildings	188	264	833	611	396
Other New Buildings	3	31	—	29	—
Non-Residential Alterations and Additions	623	824	753	481	776
Other	263	279	240	227	341
Total Valuations	\$ 5,229	\$11,345	\$ 6,074	\$ 7,191	\$25,275
NEW DWELLING UNITS					
Single-Family Dwellings	24	5	9	16	106
Duplex Dwellings	20	4	4	8	16
Multiple Dwellings	68	327	85	83	305
Total Units	112	336	98	107	427

Source: City of Monterey Park.

MONTEREY PARK LABOR MARKET AREA^①

Employment by Industry as of January, 1974

Classification	Number of Jobs	Percentage
Agriculture and agriculture services	128	0.2%
Construction	4,115	6.4
Manufacturing	14,532	22.6
Transportation communications and utilities	4,630	7.2
Retail trade	14,277	22.2
Wholesale trade	2,120	3.3
Finance real estate and insurance	2,315	3.6
Services	12,025	18.7
Government	10,096	15.7
Other	65	.1
Total	64,303	100.0%

① Includes the cities of Alhambra, Monterey Park and San Gabriel.

Source: City Planning Department.

As indicated in the preceding tabulation manufacturing, retail trade and services comprise the largest categories of employment in the labor market area. The major industrial employers in the City are listed on the facing page and the major non-industrial employers are summarized below.

CITY OF MONTEREY PARK

Major Non-Industrial Employers

Name of Organization	Primary Business	Approximate Number of Employees
East Los Angeles College	Public community college	1,075
Garfield Hospital	General hospital	600
Monterey Park Hospital	General hospital	375
City of Monterey Park	Municipal government	340
Alhambra City School District	Public education	227
Southern California Edison Company	Electric utility	142
Montebello Unified School District	Public education	118

Sources: Employers listed.

The City's central location, its proximity to transportation facilities and the efforts of its Redevelopment Agency to attract new employers are expected to continue to enhance employment opportunities within Monterey Park.

Industry

Monterey Park contains 945 acres zoned for industrial purposes, approximately one-third of which is currently vacant. The City's industrial base, consisting of light and medium manufacturing facilities, is concentrated in two industrial parks, McCaslin Industrial Park and Monterey Industrial Park. The City's policies and actions are receptive to balanced industrial growth as indicated by the creation of McCaslin Industrial Park during the past five years.

The Monterey Park Chamber of Commerce's *Industrial List*, published in August, 1977, lists nearly 150 manufacturing enterprises. The largest industrial employers in the City, their primary products and approximate number of employees are summarized in the tabulation on the facing page.

Commerce

Commercial activity within Monterey Park is centered in two shopping centers, Atlantic Square and Prado Center, and in strip commercial districts located along Garvey Avenue and Garfield Avenue. Elsewhere there are several neighborhood convenience centers. The tabulation on the following page presents a five-year summary of taxable retail sales in the City.

CITY OF MONTEREY PARK

Industrial Firms with 100 or More Employees

Name of Firm	Primary Products	Number of Employees
Ameron, Inc.	Pipe, lighting and traffic poles, corrosion-resistant coatings and linings	300
Carolyn Shoes, Inc.	Women's shoes	260
Colours	Women and children's clothing	200
Autographics, Inc.	Typesetting	150
Arrowhead Puritas Waters	Bottled water	100
Leegin Creative Leather, Inc.	Leather goods	100

Source: *Industrial List* [August, 1977], Monterey Park Chamber of Commerce.

Plans for rehabilitation of the commercial area located along Garvey and Garfield Avenues and for construction of a regional shopping center adjacent to the Pomona Freeway, in the southern portion of the City are currently under study.

Banking

Five commercial banking organizations maintain a total of seven branch offices in the City. These

include the Bank of America NT&SA (2 offices), Crocker National Bank, Garfield Bank, Security Pacific National Bank (2 offices) and Sumitomo Bank.

Additional financial services are provided by the California Federal Savings & Loan Association, and the Constitution Savings & Loan Association.

Three other financial institutions are seeking to locate within the City.

CITY OF MONTEREY PARK

Summary of Taxable Transactions (\$000 omitted)

Calendar Year:	1972	1973	1974	1975	1976
Apparel stores	\$ 5,792	\$ 6,312	\$ 6,303	\$ 6,728	\$ 7,520
General merchandise stores	7,629	7,770	8,096	9,358	9,666
Drug stores	5,193	5,403	5,732	6,135	6,553
Food stores	6,984	7,591	8,918	9,305	10,799
Packaged liquor stores	1,853	1,720	1,827	1,874	2,025
Eating and drinking places	7,827	9,896	10,389	11,374	12,588
Home furnishings and appliances	2,929	3,356	3,445	3,247	3,888
Building materials and farm implements	3,683	3,927	4,232	4,329	4,790
Auto dealers and auto supplies	7,559	8,038	①	6,913	13,006
Service stations②	4,177	7,438	8,551	9,411	9,863
Other retail stores	5,306	5,728	12,434	5,326	7,414
Retail Stores Totals	\$ 58,932	\$ 67,179	\$ 69,927	\$ 74,000	\$ 88,112
Total — All Other Outlets	24,403	28,070	32,166	28,945	33,246
Total — All Outlets	\$ 83,335	\$ 95,249	\$102,093	\$102,945	\$121,358

① The State Board of Equalization consolidated this data with the "other retail stores" category to prevent disclosure of confidential information.

② Sales of gasoline first became taxable on July 1, 1973.

Source: State Board of Equalization.

Transportation

Monterey Park enjoys a favorable position with respect to the Southern California freeway system. The City is traversed by three freeways: the San Bernardino Freeway (Interstate 10), the Long Beach Freeway (State Highway 7) and the Pomona Freeway (State Highway 60). The junction of the Long Beach and San Bernardino freeways occurs within the City's limits, immediately north of Freeway Development Project No. 1. The western terminus of the San Bernardino Freeway, approximately three miles west of the City, provides connections to the Golden State, Hollywood, Santa Ana and Santa Monica freeways, offering direct access to the Los Angeles Civic Center and other northern, southern and western destinations.

Interurban bus service is provided by the Southern California Rapid Transit District. Overland coach service, furnished by Greyhound Bus Lines and the Trailways Bus System, is available within a six mile radius of the City in Pasadena and El Monte, respectively. Major freight trucking lines which serve Los Angeles also serve Monterey Park with overnight connections to San Francisco, Sacramento, Phoenix, Las Vegas, Reno and several intermediate points.

Rail freight service is available in the northern portion of the City on a "team track" basis. Daily Amtrak passenger service is available in Los Angeles and Pasadena.

A general aviation facility is located in El Monte. Commercial airline service is available at the Hollywood-Burbank Airport, 18 miles distant and the Los Angeles International Airport which lies approximately 30 freeway miles southwest of the City.

Shipping facilities to intercoastal and world markets are available at Los Angeles Harbor and the Port of Long Beach — approximately 20 miles south of the City.

Utilities

Electric power is supplied within the City by the Southern California Edison Company. The Southern California Gas Company provides natural gas. Telephone service is furnished by the Pacific Telephone and Telegraph Company. Water is supplied to most portions of Monterey Park by the City while some outlying areas are serviced by the San Gabriel Valley Water Company and the Southern California Water

Company. Sewer service is provided throughout the City by the Los Angeles County Sanitation District. The City is located within the San Gabriel Valley Municipal Water District, which is a prime contractor for water from the State Water Project.

Education

Public elementary school education is administered in the City by the Alhambra City School District, Garvey School District and the Montebello Unified School District. Secondary education is provided by the Alhambra City High School District and the Montebello Unified School District. In addition, less than one percent of the City's assessed valuation is located within the Los Angeles Unified School District. The school districts operate eight elementary and one junior high school in Monterey Park, plus another junior high and three high schools within close proximity to the City.

Higher education is available at East Los Angeles College which occupies an 82-acre campus in a southwestern portion of the City that was annexed in June, 1976. The institution is a two-year, taxpayer supported community college. East Los Angeles College is the second oldest of the nine colleges operated by the Los Angeles City Community College District. The college serves an area of 882 square miles and offers programs leading to Associate degrees in technical, occupational and transferable academic curricula. Adult education courses are also offered. Enrollment at this institution has grown from 380 in September, 1945 to approximately 18,000 students.

California State University, Los Angeles is situated on a 160-acre hilltop site, immediately north of the interchange of the San Bernardino and Long Beach freeways and the City's limits. Other recognized four-year collegiate institutions located within a ten mile radius of Monterey Park include the California Institute of Technology, Immaculate Heart College, Mount Saint Mary's College, Occidental College, the University of Southern California and Whittier College.

Community Facilities

There are two general hospitals in Monterey Park, Garfield Hospital and Monterey Park Hospital, with a combined total of 325 beds. These medical re-

sources are augmented by the 22 physicians, 23 dentists, 4 optometrists and 5 chiropractors who practice in the City.

Ten parks, encompassing 86 acres, provide recreational facilities for all age groups including playgrounds, picnic facilities, baseball diamonds, tennis courts and municipal swimming pools. Noteworthy features of these parks include a wilderness area and observatory with public viewing hours at Garvey Ranch Park, a senior citizens' center at Langley Park and a Japanese garden and Azumaya view deck at Sequoia Park. The nine-hole Monterey Park Golf Course is located on a hilltop adjacent to Freeway Development Project No. 1.

Twenty-eight churches representing most major denominations hold services in Monterey Park. The Service Clubhouse is available for use by fraternal, service and special interest organizations. The Bruggemeyer Memorial Library contains nearly 100,000 volumes.

The *Monterey Park Californian* and the *Monterey Park Progress* are published locally and provide news coverage on a semi-weekly and weekly basis, respectively. Daily news coverage is provided by the *Los Angeles Herald-Examiner* and the *Los Angeles Times*. The City is within broadcast range of Los Angeles area radio and television stations.

77 04770

U.C. BERKELEY LIBRARIES



C123308909

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

AUG 19 2024

UNIVERSITY OF CALIFORNIA

